



Patrick W. Henning, Director
April 4, 2008
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Arnold Schwarzenegger
Governor

Mr. George Hempe, Executive Director
Golden Sierra Job Training Agency
11549 "F" Avenue
Auburn, CA 95603

Dear Mr. Hempe:

**WORKFORCE INVESTMENT ACT
85-PERCENT PROGRAM REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2007-08**

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Golden Sierra Job Training Agency's (Golden Sierra) Workforce Investment Act (WIA) 85-Percent grant program operations. We focused this review on the following areas: Board composition, One-Stop delivery system, program administration, WIA activities, participant eligibility, local program monitoring of subrecipients, grievance and complaint system, and management information system/reporting.

This review was conducted by Ms. Carol Hammond from January 7, 2008 through January 11, 2008.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by Golden Sierra with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2007-08.

We collected the information for this report through interviews with Golden Sierra representatives, service provider staff. In addition, this report includes the results of our review of selected case files, Golden Sierra's response to Section I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2007-08.

We received your response to our draft report on March 10, 2008, and reviewed your comments and documentation before finalizing this report. Your response adequately addressed findings 1 and 2 cited in the draft report and no further action is required at this time.

However, these issues will remain open until we verify your implementation of your stated corrective action plan during a future onsite review. Until then, these findings are assigned Corrective Action Tracking System (CATS) numbers 80086 and 80087.

BACKGROUND

The Golden Sierra was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2007-08, Golden Sierra was allocated: \$556,534 to serve 220 adult participants; \$543,143 to serve 92 youth participants; and \$1,039,003 to serve 208 dislocated worker participants.

For the quarter ending September 30, 2007, Golden Sierra reported the following expenditures for its WIA programs: \$39,799 for adult participants; \$32,863 for youth participants; and \$303 for dislocated worker participants. In addition, Golden Sierra reported the following enrollments: 55 adult participants; 53 youth participants; and 69 dislocated worker participants. We reviewed case files for 28 of the 177 participants enrolled in the WIA program as of January 7, 2008.

PROGRAM REVIEW RESULTS

While we concluded that, overall, Golden Sierra is meeting applicable WIA requirements concerning grant program administration, we noted instances of noncompliance in the following areas: Workforce Investment Board (WIB) composition and grievance and complaint procedure. The findings that we identified in these areas, our recommendations, and the Golden Sierra proposed resolution of the findings specified below.

FINDING 1

Requirement: WIA 117 (b)(2)(A)(i) and (b)(4) states, in part, that a majority of the members of the local board shall be representatives of the local business.

WIA117(b)(2)(A)(iv) states, in part, that membership of each local WIB shall include two representatives from community based organizations in the local area.

Observation: We observed that the WIB lacks one of two required community based organization (CBO) representatives and the seat has been vacant since Spring 2007. In addition, WIB membership does not have a business majority. Of the twenty-one board members, only ten members are from local businesses.

Recommendation: We recommended that Golden Sierra provide the Compliance Review Division (CRD) with a corrective action plan (CAP), including a timeline, for appointing the required members currently not represented on the board. We also recommended that once these vacancies are filled, Golden Sierra provide CRD with an updated roster.

Golden Sierra Response: Golden Sierra staff and board members will increase their involvement in the recruitment process targeting CBO and local business representation. It is expected that through the WIB network, as well as staff's involvement in the community, appropriate board representatives will be appointed within six months and copy of the WIB roster will be forwarded to CRD.

State Conclusion: Golden Sierra's stated corrective action should be sufficient to resolve this issue. However, we cannot close this issue until Golden Sierra provides CRD with documentation that all required members have been appointed to the WIB. Until then, this issue remains open and has been assigned CATS number 80086.

FINDING 2

Requirement: 20 CFR Section 667.600(a)(b) states, in part, that each local area must establish and maintain a procedure for grievances and complaints.

WIAD03-12 states, in part, that initial and continuing notice of the local grievance and complaint procedures instructions on how to file a complaint must include the following:

- The right to file a grievance or complaint within one year of the alleged violation.
- The participant has the right to receive technical assistance, and
- The participant must be notified in writing of the hearing 10 days prior to the date of the hearing.

Observation: We observed that the signed grievance and complaint policy in all participant folders did not contain information regarding:

- Notification that the participant has the right to file a grievance or complaint at any time within one year of the alleged violation
- Notification that the participant has a right to receive technical assistance, and
- The complainant and respondent must be notified in writing of the hearing 10 days prior to the date of the hearing.

Recommendation: We recommended that Golden Sierra update its grievance and complaint policy to include all of the requirements of WIAD03-12 and provide CRD with a copy of the updated policy. In addition, we recommended that Golden Sierra provide CRD with a CAP to ensure that all currently active and future participants are provided a copy of the revised policy and a signed copy is maintained in all participant case files. Finally, we recommended that Golden Sierra post a copy of the revised policy in all Golden Sierra One-Stop locations.

Golden Sierra Response: Golden Sierra stated that it's grievance and complaint policy has been updated and provided a copy to CRD for review.

State Conclusion: The revised Golden Sierra grievance and complaint form includes all of the elements missing. However, Golden Sierra did not provide CRD with a CAP to ensure that all currently active and future participants are provided a copy of the revised policy and a signed copy is maintained in all case files. Additionally, Golden Sierra did not provide a CAP regarding the posting of the revised form in all Golden Sierra One-Stop locations. Consequently, this issue will remain open and has been assigned CATS number 80087.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is Golden Sierra's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain Golden Sierra's responsibility.

Mr. George Hempe

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April 4, 2008

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Ms. Carol Hammond at (916) 653-6633.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie Mar", with a large, stylized initial "J" and a long horizontal stroke extending to the right.

JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Division

cc: Linda Beattie, MIC 50
Shelly Green, MIC 45
Jose Luis Marquez, MIC 50
Don Migge, MIC 50